

Memorandum

TAB 83

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 14-15, 2011

From: NORMA ORTEGA
Chief Financial Officer

PASSED BY Reference No.: 2.5e.(3)

Action Item



Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT
RESOLUTION FA-11-10

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission allocate an additional \$546,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

Additional funds are needed for one previously approved project in order to award the construction contract.

RESOLUTION:

Resolved, that \$546,000 be allocated from the Budget Act of 2011, Budget Act Item 2660-302-0890 to provide additional funds to allow the following project to be awarded.

<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original Allocated Amount</u>	<u>Current Allocation</u>	<u>Allocation Adjustment</u>	<u>Revised Allocation</u>	<u>% Increase Above Current Allocation</u>
1	07-LA-91	\$1,800,000	\$1,800,000	\$546,000	\$2,346,000	30.3%

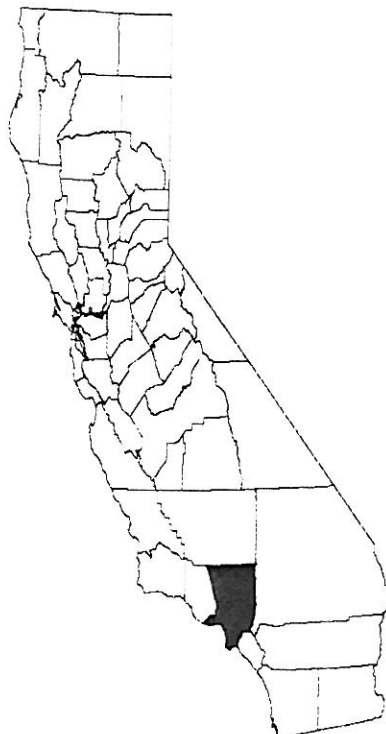
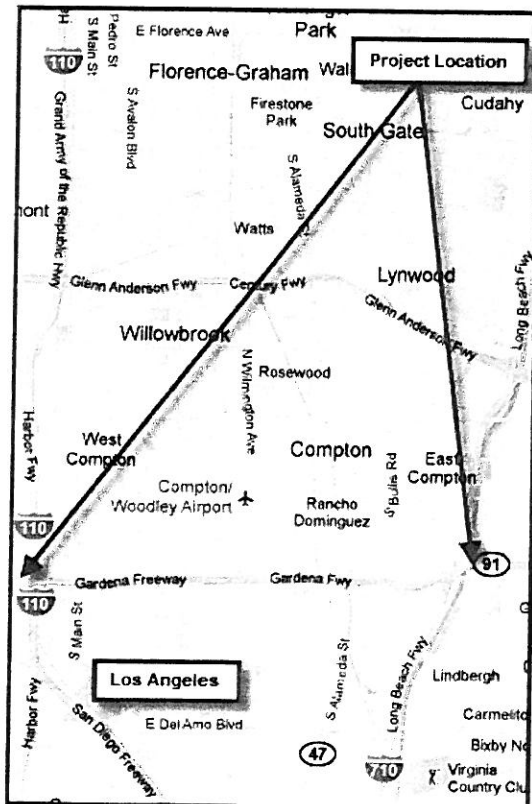
CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

Reference No.: 2.5e.(3)
December 14-15, 2011
Page 2 of 4

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
2.5e.(3) Supplemental Funds for Previously Voted Projects			Resolution FA-11-10		
1 \$546,000 Department of Transportation Los Angeles 07-LA-91 R6.4/12.0	In the city of Los Angeles, at the Route 110 connector Bridge #53-2549H and in Long Beach at Route 710 Bridges # 53-2142 and 53-2144K. <u>Outcome/Output:</u> Rehabilitate three bridges to extend the service life of the structures. Supplemental funds needed to award construction contract. Total Revised Amount: \$2,346,000	07-3922 SHOPP 2011-12 302-0890 FTF 20.20.201.110 0700001841 4 260504 SHOPP 2011-12 302-0890 FTF 20.20.201.110	\$1,800,000	\$546,000	\$1,800,000 \$546,000

RECOMMENDATION:

The Department recommends that this request for \$546,000 be approved to allow this project to be awarded.



PROJECT DESCRIPTION:

This project is located in the cities of Los Angeles and Long Beach, at the Route 110 Separation #53-2549H, and Route 710 Separation/Los Angeles River Bridges #53-2142 and #53-2144K. This project will remove unsound concrete spalls and fill with rapid-set concrete; remove approximately a half inch of the existing concrete deck surface, seal with methacrylate resin coating, and place a polyester concrete overlay; and replace joint seals and assemblies.

FUNDING STATUS:

The project was programmed into the 2010 SHOPP for \$4,849,000 and was voted for \$1,800,000 in August 2011 for construction in fiscal year (FY) 2011-12. Bids for this project were opened on October 13, 2011. Seven bids were received. The amount needed to award the contract to the lowest bidder, is \$2,346,000. This request for \$546,000 in supplemental funds results in an overall increase of 30 percent over the original vote amount. This contract will be awarded upon approval of this supplemental funds request.

REASONS FOR COST INCREASE:

The Department performed a bid analysis to evaluate the differences between the Engineer's Estimate and the contract bid items. The contract has 35 bid items. Three of these bid items have significant cost differences. These items are Bridge Removal (Portion), Furnish Polyester Concrete Overlay and Place Polyester Concrete Overlay.

BID ITEM	ENGINEER'S ESTIMATE	LOW BID	INCREASE
Bridge Removal (Portion)	\$ 70,000	\$ 100,000	\$ 30,000
Furnish Polyester Concrete Overlay	\$ 622,000	\$ 949,000	\$ 327,000
Place Polyester Concrete Overlay	\$ 134,000	\$ 319,000	\$ 185,000
Miscellaneous Adjustments/Contingencies			\$ 4,000
TOTAL			\$ 546,000

The unit prices used in the Department's estimate for Furnish Polyester Concrete Overlay and Place Polyester Concrete Overlay are lower than the bid amount due to a change in the market price between the time when the estimate was finalized and the bid opening. Recent statewide bids for these two items shows the unit price has risen significantly since the estimate on this project was finalized in March 2011; the estimate for this project was based on historical bid data available at that time.

An additional \$546,000 in supplemental funds is needed in order to award this project to the low bidder.

FUNDING OPTIONS:

OPTION A: Approve this request as presented above for \$546,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to down scope the project to remain within the allocated amount. The Department considered this option and determined that reducing the scope of work on this project, and executing another project to complete the deleted work later would result in greater costs and more disruption to the traveling public.

RECOMMENDED OPTION:

The Department recommends that this request of \$546,000, as presented in Option A above, be approved to award the project to the low bidder.